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Eighteenth Annual Report
OF THE
ALBERTA
LIQUOR CONTROL BOARD
OF THE
PROVINCE OF ALBERTA
1941

(FROM 1st APRIL, 1941, TO 31st MARCH, 1942)

PUBLISHED BY ORDER OF THE LEGISLATIVE ASSEMBLY



EDMONTON:
Printed by A. Shnitka, King's Printer
1942

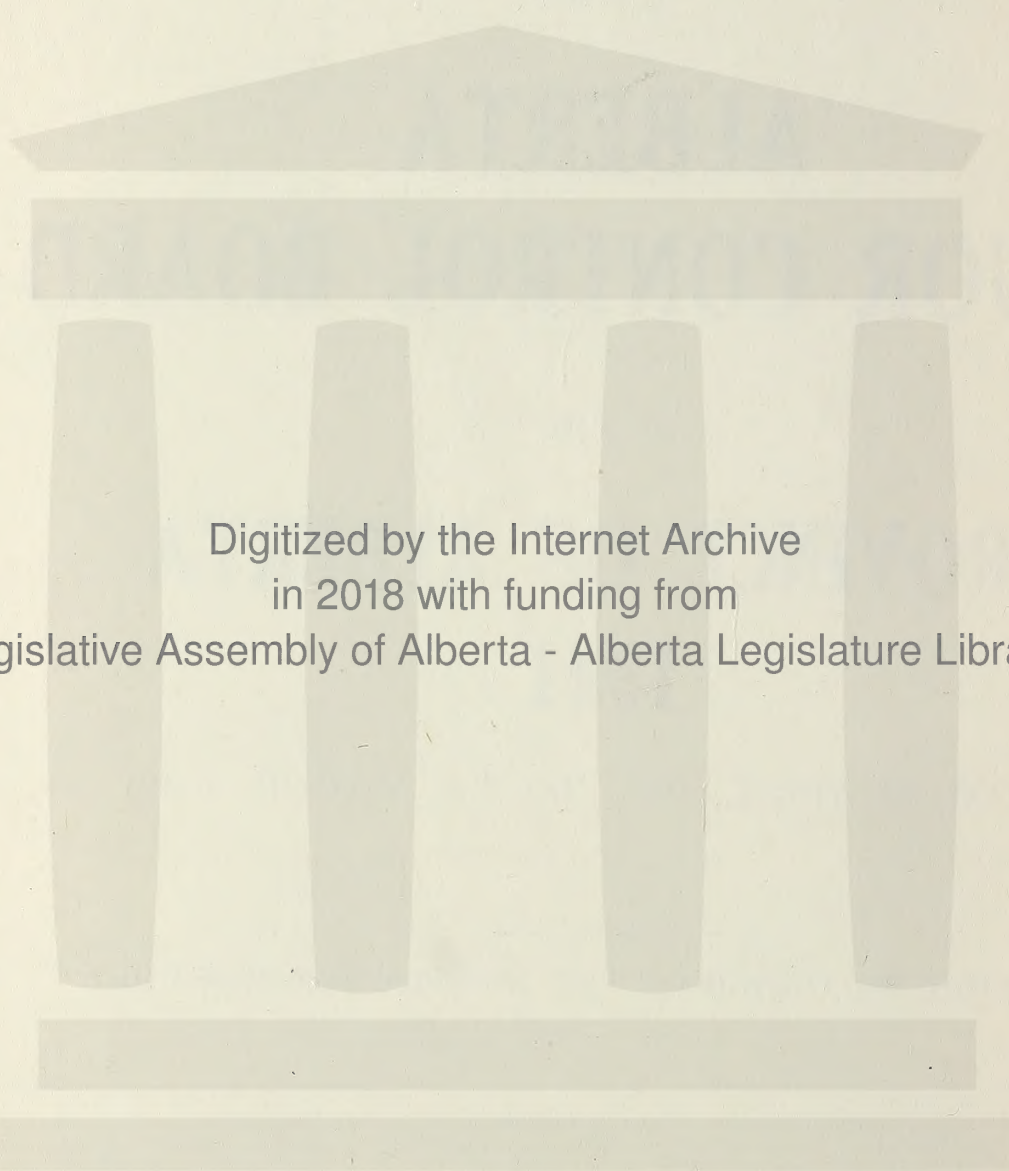
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ALBERTA LIQUOR CONTROL BOARD

Edmonton, Alberta, January 22nd, 1943.

THE HONOURABLE SOLON E. LOW,

Provincial Treasurer,

Parliament Buildings,

Edmonton, Alberta.

Sir:

I have the honour to submit herewith the Report of the Alberta Liquor Control Board, covering the Fiscal Period from the 1st April, 1941, to the 31st March, 1942.

I have the honour to be, Sir,

Your obedient servant,

JOHN A. KING,

Chairman.

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REPORT OF THE ALBERTA LIQUOR CONTROL BOARD

INTRODUCTION

This Report is the eighteenth submitted by the Alberta Liquor Control Board, and covers the Fiscal Year from the 1st April, 1941, to the 31st March, 1942.

Financial Statements showing the results of operations during that period are incorporated herein.

In spite of irregular shipping facilities, and the rationing of supplies by shippers in Great Britain, ample stocks have been available so far to meet heavy demands by the public.

LICENSING

There has been no change in the number of Breweries operating in the Province, and the high quality of their products has been maintained.

All beers sold by the Board are subject to periodic examination and analysis by the Provincial Analyst.

Beer Licenses issued with respect to hotel properties, to the number of 383, were in effect at 31st December, 1941. The Board is continuing the policy adopted in 1939, with respect to Hotel and Club Licenses, namely, that for the duration of the War there will be no extension of such privileges by the granting of new Licenses.

These Licenses are issued for the Calendar Year, and require to be renewed on the 1st January in each Year.

Two Hotels were destroyed by fire during the Year, but happily no lives were lost, and the property of guests was amply protected.

One License was suspended for an infraction by the licensee of Section 37 of The Government Liquor Control Act of Alberta. Apart from this one suspension, the Board did not find it necessary to discipline the holders of Beer Licenses, the great majority of whom have conducted their premises in a manner which is highly commendable.

The service rendered by such licensees to the Community at large and to the travelling public in particular is too frequently taken as a matter of course, and does not receive the recognition it deserves. In spite of innumerable difficulties inseparable from War conditions, licensees in Alberta have carried out substantial improvements to premises, furnishings and equipment, in order to provide accommodations more acceptable to their guests.

Throughout the period under review, the Board has enjoyed the co-operation of the Officials of the Alberta Hotel Association, which always proves of valuable assistance in connection with the Board's responsibility for the conduct of licensed Hotels.

The effective sterilization of glasses used in licensed premises continues to receive the close attention of our Inspectors.

Club Licenses were renewed to 52 applicants. Twenty-five of these were from Ex-Service Organizations, fourteen from Golf and Country Clubs, and thirteen from Clubs in other categories.

Three Licenses issued to Clubs operated on behalf of Ex-Servicemen were suspended in consequence of infractions of The Liquor Control Act. In all instances beer was being sold for consumption off the premises.

Details with respect to Licenses and Suspensions will be found in Appendix "A".

There was a marked increase in the number of Canteen Licenses issued during the Year, bringing the total to fifty-one.

These Licenses are only granted to the Armed Forces of the Crown, and were at all times conducted to the satisfaction of the Board.

GOVERNMENT LIQUOR STORES

The Board is continuing to operate 38 Government Liquor Stores and 7 Beer Stores, located at 36 points throughout the Province. No additional Stores have been opened during the Fiscal Year.

LAW ENFORCEMENT

The Board is again pleased to express its thanks to the Officers of the Royal Canadian Mounted Police, and of the Municipal Police Forces in Alberta, whose duty it is to enforce the provisions of The Liquor Control Act.

GENERAL REMARKS

The Board and the Breweries in Alberta together paid to the Federal Treasury an amount in excess of \$3,590,000.00, representing Customs and Excise Duties, Malt and Sales Tax, on the various products sold through the Government Liquor Stores.

No Local Option Plebiscites were held during the Year.

The sale of Permits realized \$77,078.00, which amount was paid direct to the Provincial Treasury, in accordance with the provisions of the Liquor Act, and is therefore not included in the Profit and Loss Account of the Board.

During the Fiscal Year, 95 Permits were cancelled, and in addition 128 Permits held by persons who were interdicted during that period automatically became void.

Individual Permittees made 2,170,715 purchases, at an average for each of \$3.68.

The Stores and Warehouses operated by the Board also made 49,557 separate sales to licensees.

Prescriptions issued by Physicians totalled 344.

There was a slight reduction in the number of parcels shipped by Express during the Year. These totalled 17,018, at a cost to the Board for transportation of \$6,385.44. In addition, 3,809 parcels

were sent through the mails. The postage on these parcels, which was defrayed by the Board, amounted to \$2,170.69.

STAFF

During the Fiscal Year under review, conditions have changed to a great extent, and with other avenues of employment continually opening up, it is becoming increasingly difficult to maintain the organization of staff, and the larger purchasing power has in turn brought new demands and serious merchandising problems for the Board.

Notwithstanding these difficulties, the Board has enjoyed throughout the Year the loyal co-operation of the staff, who have at all times shown a keen interest in their work.

JOHN A. KING,

Chairman.

J. F. PERCIVAL,

Member.

ALBERTA LIQUOR CONTROL BOARD

STATEMENT "A"
ALBERTA LIQUOR CONTROL BOARD
BALANCE SHEET AS AT MARCH 31, 1942

ASSETS

CASH ON HAND, IN BANKS AND IN TRANSIT	\$ 102,909.94
CASH IN TREASURY BRANCHES.....	17,972.45
INVENTORIES:	
Stocks of liquor in bond at cost.....	\$ 520,075.70
Stocks of liquor in warehouses and stores at warehouse cost.....	719,918.52
	<u>\$1,239,994.22</u>
Liquor in transit prepaid.....	17,362.51
Containers on hand.....	427.72
	<u>1,257,784.45</u>
ACCOUNTS RECEIVABLE.....	17,670.04
AUTOMOBILES, FURNITURE AND FIXTURES AT COST, less reserve for depreciation.....	20,599.58
PREPAID CHARGES.....	28,370.42
SUPERANNUATION FUND, net assets.....	50,301.79
	<u>\$1,495,608.67</u>

LIABILITIES

BANK OF MONTREAL OVERDRAFT.....	\$ 200,423.39
ACCOUNTS PAYABLE.....	941,592.41
DUE TO SUPERANNUATION FUND.....	29,968.73
UNEARNED LICENSE REVENUE.....	48,550.87
RESERVES:	
Burglary.....	\$ 10,000.00
General.....	200,000.00
Superannuation Fund Reserves.....	50,301.79
	<u>260,301.79</u>
PROVINCIAL TREASURER:	
Unremitted income at March 31, 1941.....	\$ 19,150.83
Income for year ended March 31, 1942:	
Liquor profits and license fees.....	3,812,718.19
Permit fees.....	84,457.25
	<u>\$3,916,326.27</u>
Less:	
Remittances for year ended	
March 31, 1942.....	\$3,851,554.79
Transferred to general reserve.....	50,000.00
	<u>3,901,554.79</u>
	14,771.48
	<u>\$1,495,608.67</u>

CONTINGENT LIABILITY:

Present value of non-contributory pensions which may be awarded upon employees reaching superannuation age.....	<u>\$ 441,787.49</u>
---	----------------------

JOHN A. KING, Chairman.

R. P. LEFROY, Accountant.

Edmonton, Alberta, July 6, 1942.

I have audited the books and records of the Alberta Liquor Control Board for the year ended March 31, 1942, and the above Balance Sheet and accompanying Profit and Loss Statement are in accordance therewith.

Physical inventories of liquors and containers were taken at March 31, 1942, by officials of the Board. Quantities were certified by respective warehouse and store managers. Cost of transferring stocks from warehouses to stores was not included in the inventory valuation. Inventories included goods on consignment amounting to \$457,534.08, the corresponding liability being included with accounts payable on the Balance Sheet.

I have received all the information and explanations which I require, and certify that, in my opinion, the above Balance Sheet is properly drawn up so as to show the financial position of the Alberta Liquor Control Board as at March 31, 1942, and the accompanying Profit and Loss Statement correctly sets forth the results of the operations for the year ended at that date.

C. K. HUCKVALE, C.A.,

STATEMENT "B"

ALBERTA LIQUOR CONTROL BOARD
PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED MARCH 31, 1942

	Liquor	Beer	Total
Gross sales.....	\$5,708,900.96	\$7,488,720.50	\$13,197,621.46
Less: Cost of goods sold.....	2,993,590.29	5,981,647.87	8,975,238.16
	<u>\$2,715,310.67</u>	<u>\$1,507,072.63</u>	<u>\$4,222,383.30</u>
Less: Stores' operating expenses.....			641,513.85
			<u>\$3,580,869.45</u>
Add: Special income:			
License fees.....		\$ 266,604.87	
Less: License expense.....		19,366.94	
		<u>\$ 247,237.93</u>	
Sundry revenue.....		15,122.46	
Interest earned on bank balance.....		1,173.61	
			<u>263,534.00</u>
Net operating profit.....			<u>\$3,844,403.45</u>
Less: Non-operating expense:			
Capitalized value of non-contributory pensions awarded and interest.....		\$ 30,470.17	
Permit expense.....		1,215.09	
			<u>31,685.26</u>
Net income for the year ended March 31, 1942.....			<u><u>\$3,812,718.19</u></u>

ALBERTA LIQUOR CONTROL BOARD

STATEMENT "C"

ALBERTA LIQUOR CONTROL BOARD

COST OF GOODS SOLD

FOR THE YEAR ENDED MARCH 31, 1942

Inventory, March 31, 1941:

Liquor.....	\$ 806,490.63	
Beer.....	113,490.73	
		\$ 919,981.36

Add:

Purchases, liquor.....	\$1,291,745.69	
Purchases, confiscated liquor.....	231.35	
Purchases, jugs and bottles.....	40,081.87	
Duty.....	1,524,772.99	
Sales tax.....	224,924.04	
Inward freight.....	181,484.43	
Marine insurance.....	56,588.17	
	\$3,319,828.54	
Purchases, beer.....	5,997,094.72	
		9,316,923.26

\$10,236,904.62

Less:

Cash and trade discounts.....	\$ 15,432.26	
Claims.....	6,091.93	
Breakages.....	148.05	
		21,672.24

\$10,215,232.38

Less: Inventory, March 31, 1942:

Liquor.....	\$1,111,056.64	
Beer.....	128,937.58	
		1,239,994.22

Cost of goods sold for the year ended March 31, 1942

\$8,975,238.16

APPENDIX "A"

STATEMENT SHOWING BREWERS', BEER, CLUB AND
CANTEEN LICENSES ISSUED, WITH RECORD OF
CANCELLATIONS AND SUSPENSIONS

BREWERS' LICENSES ISSUED, 1941

License Number	Name of Brewery	Place
1	Edmonton Breweries Limited.....	Edmonton
2	Lethbridge Breweries Limited.....	Lethbridge
3	Calgary Brewing and Malting Company Limited.....	Calgary
4	North West Brewing Company Limited.....	Edmonton
5	Big Horn Brewing Company Limited.....	Calgary

SUSPENSIONS OF BREWERY PRIVILEGES, 1941

Nil.

NUMBER OF BEER LICENSES IN FORCE AT
DECEMBER 31st, 1941..... 383

CANCELLATIONS AND SUSPENSIONS OF BEER LICENSES, 1941

Imperial Hotel, Blackfalds: Charles K. Moir, Licensee. Beer License No. 357 suspended from August 3rd to September 11th, (both days inclusive), 1941. Infraction Section 37 (a), The Government Liquor Control Act of Alberta.

NUMBER OF CLUB LICENSES IN FORCE AT
DECEMBER 31st, 1941..... 52

CANCELLATIONS AND SUSPENSIONS OF CLUB LICENSES, 1941

Canadian Legion, B.E.S.L., Medicine Hat: Club License No. 29 suspended from May 7th to May 19th, (both days inclusive), 1941. Selling for consumption off the premises.

Canadian Legion, B.E.S.L., Redcliff: Club License No. 33 suspended from May 7th to May 19th, (both days inclusive), 1941. Selling for consumption off the premises.

Canadian Legion, B.E.S.L., Taber: Club License No. 34 suspended from October 5th to October 19th, (both days inclusive), 1941. Selling for consumption off the premises.

NUMBER OF CANTEEN LICENSES IN FORCE AT
DECEMBER 31st, 1941..... 51

CANCELLATIONS AND SUSPENSIONS OF CANTEEN LICENSES, 1941

Nil.

APPENDIX "B"

STAFF AS AT MARCH 31st, 1942

	Male	Female	Temporary and Casual	Total
ADMINISTRATIVE OFFICES:				
Chairman.....	1			1
Member of Board (part time)....	1			1
Secretary to Chairman.....		1		1
Secretary's Office.....	1	1		2
DEPARTMENTS:				
Accountant's.....	12	2	3	17
Beer Statistics.....	3		3	6
Licensing.....	5		1	6
Liquor Stocks.....	3	2	2	7
Traffic and Customs.....	2	5	1	8
WAREHOUSES.....	52	4	21	77
STORES.....	96		32	128
TOTAL.....	176	15	63	254

At March 31st, 1942, 26 members of the permanent staff were on leave of absence, serving with His Majesty's Forces, and are not included in the above.



